

Minutes  
Catawba County Board of Commissioners  
Regular Session, Tuesday, September 5, 2006, 9:30 a.m.

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The Catawba County Board of Commissioners met in regular session on Tuesday, September 5, 2006 at 9:32 a.m. in the 1924 Courthouse, Robert E. Hibbits Meeting Room, 30 North College Avenue, Newton, North Carolina.

Present were Chair Katherine W. Barnes, Vice-Chair Dan Hunsucker, Commissioners Glenn E. Barger, Lynn M. Lail and Barbara G. Beatty.

Also present were County Manager J. Thomas Lundy, Assistant County Manager Joellen Daley, Assistant County Manager Lee Worsley, Interim County Attorney Debra Bechtel, Attorney Anne Marie Pease and County Clerk Barbara E. Morris.

1. Chair Katherine W. Barnes called the meeting to order at 9:32 a.m.
2. Vice-Chair Dan Hunsucker led the Pledge of Allegiance to the Flag.
3. Commissioner Glenn E. Barger offered the invocation.
4. Vice-Chair Hunsucker made a motion to approve the minutes from of August 21, 2006. The motion carried unanimously.
5. Recognition of Special Guests: Chair Barnes welcomed all those who were present and said the Board was pleased to see so many people attending the morning meeting.
6. Comments for Items not on the Agenda.  
Chair Barnes noted there had been a public hearing regarding the proposed UDO and asked how many people present would want to speak on that matter. She asked people to limit their comments to approximately three minutes. The following people came forward:

Tracy Warlick – Homebuilders Association – spoke at last meeting – wanted to bring up a few more points. His concern was about affordable housing in the County (anything under \$200,000). Housing is disappearing for firemen, teachers, etc. The County could buy land to ensure rural preservation.

David Stewart – Sherrills Ford resident – Past commissioner – Knew the Board is making difficult decisions and trying to do what is best for the community. He applauded the Board for doing what is best for most of the people. Gave the Board his support in this difficult decision.

Stamey Nixon – Buffalo Shoals Road, Maiden - Wanted to know who the committees and were there any poor people on the committees. Chair Barnes said there were a wide variety of people on the committees. Worries what the UDO/two acre minimums will do to poor people. Believed the UDO needs to be put on the ballot.

Don Parham – On the Sherrills Ford Crossroad Vision Committee – believed the UDO as an overall plan is quite good – there may need to be some adjustments but as an overall plan it should be good for the County. The County needs a plan – if not, the County will be run over – referenced Key Harbor. If the UDO is implemented properly and enforced it could be good for the County. He said the County had to stick to something and a decision had to be made. Applauded the Board for their efforts.

Billy Whitner – S&W Farm Road, Hickory - has 6 ½ acres – for 4 sons and 9 grandchildren – against 2 acre minimum – believed it would decrease value of real estate.

David Yutzy – 3987 Section House Road, Lot 104 – He drives a truck for Gaines – lives in a trailer park and raising three grandchildren – someday wants to buy a house but all he can afford now is a trailer and can't afford to live with the new criteria. Can see how the metal on metal is a safety issue.

Betty Crisp – 1025 4<sup>th</sup> Ave Dr. NW, Hickory – again spoke about mobile home parks and wanted grandfather provisions for the parks.

Tina Hefner – Vale – Gave Board Agenda 21 & the United Nations – issue global society. Asked if Board received money to pass UDO – Chair Barnes clarified no money was involved.

Glenn Fulbright – 3451 East Maiden Road, Maiden – again urged the Board to look at the proposed restrictions on cottage industries – stated a lot of lives at stake.

Jerry Campbell – 1928 Wexford Ct, Gastonia – Chair of Mt. Island Lake Marine Commission - did not speak on UDO – his concern was regarding the proposed Interbasin transfer and encouraged the Board to

have representation at the upcoming meeting. Chair Barnes stated that Commissioner Beatty would be attending as well as staff members and the Board would be adopting a resolution in regards to that transfer at this meeting.

Chair Barnes then reminded those present that there would be a formal public hearing at the Board of Commissioners meeting on September 18, 2006 at 7:00 p.m. She was asked if the Board would be voting on the UDO at that time and Chair Barnes said while she couldn't declare that they would not vote, the Board had continuing work sessions ongoing on different issues. Commissioner Barger said since the Board was still seeking answers to many of their questions regarding the UDO, it was unlikely a vote would take place on the 18<sup>th</sup>.

7. Presentations:

a. Commissioner Lynn M. Lail presented a proclamation declaring September 16-30, 2006 as Litter Sweep Weeks in Catawba County. During these weeks, citizens who collect trash and recyclables from road sides, parks, lake sides and other common areas and put the collected trash in special bags may dispose of the bags free of charge at the Blackburn Landfill or one of the County's five convenience centers. Henry Helton, Jr, Chair of the Catawba County Litter Task Force, accepted the proclamation and reminded those present that the County was scheduled to receive its certification as a Keep America Beautiful chapter on October 12, 2006 and thereafter the Litter Task Force would become a committee under that local chapter, Keep Catawba County Beautiful.

b. Vice-Chair Hunsucker presented David Weldon, Director of Emergency Services, with a proclamation declaring September as National Preparedness Month in Catawba County, to recognize that the observance is a good opportunity for every Catawba County citizen to learn more about ways to prepare for all types of emergencies, from potential terrorist attacks to natural disasters; that emergency preparedness is the responsibility of every Catawba County citizen; and that all Catawba County citizens can take a few simple steps, such as preparing a Disaster Supply Kit, making a plan and being informed, in order to make citizen preparedness a priority in every community.

8. Appointments: No appointments were made at this meeting.

Chair Barnes then said she had mentioned there was a resolution regarding the Concord-Kannapolis interbasin Transfer request. The resolution read as follows:

## **RESOLUTION 2006-40**

### **RESOLUTION TO OPPOSE THE CONCORD-KANNAPOLIS INTERBASIN TRANSFER REQUEST**

**WHEREAS**, North Carolina Environmental Management officials are currently reviewing a request from the Cities of Concord and Kannapolis to transfer 38 million gallons of water per day from the Catawba River Basin to the Rocky River Basin; and

**WHEREAS**, this latest request is a trend of additional water usage from the Catawba River as evidenced by the following:

The City of Statesville's approval for a new 15 million gallon per day intake on Lookout Shoals;

The City of Mooresville's approval for a new 12 million gallon water plant on Lake Norman;

The City of Mount Holly's previously approved increased withdrawal of an additional 10.5 million gallons of water per day;

Charlotte/Mecklenburg's previously approved 33 million gallons per day

interbasin transfer to the Rocky River; and

A current request by Charlotte/Mecklenburg to increase the maximum pumping rate from Mountain Island Lake by 165 million gallons per day.

**WHEREAS**, the net effect of the aforementioned actions will result in a total increased usage of 235.5 million gallons per day from the Catawba River Basin; and

**WHEREAS**, the Catawba River and its tributaries are not an unlimited supply of water as evidenced by previous 3-5 year drought conditions experienced most notably by the Upper Catawba Basin and the entire State of North Carolina; and

**WHEREAS**, Catawba County and the Greater Hickory Metropolitan area is considered a growth area similar to Concord and Kannapolis with additional water needs in the future; and

**WHEREAS**, Catawba County is currently working with Duke Power and numerous other stakeholders in the Catawba River Basin, from both North and South Carolina, to establish the terms of the next hydroelectric power license to be issued by the Federal Energy Regulatory Commission that will further define future water needs for the population within the basin. The relicensing of the Catawba River Basin hydroelectric power facilities is nearing completion.

**WHEREAS**, the Catawba County Board of Commissioners does hereby express its concern about the long-term availability of water within the Catawba River Basin and believes the Federal Energy Regulatory Commission's approval for Duke Power's relicensing is necessary prior to a decision for the requested interbasin transfer.

**NOW, THEREFORE, BE IT RESOLVED** that the Catawba County Board of Commissioners officially request that the North Carolina Environmental Management Commission deny the Concord-Kannapolis Interbasin transfer request to transfer 38 million gallons of water per day from the Catawba River Basin to the Rocky River Basin.

Adopted this 5<sup>th</sup> day of September, 2006.

Chair Barnes said the Board felt very strongly that this transfer has the potential to cause irrevocable harm if there are future droughts. She noted there was growth all along the Catawba River Basin for all communities and the Board opposes the transfer that could be a detriment to these communities. A public meeting was scheduled for September 7, 2006 at 5:00 at the Rock School in Valdese and Catawba County staff and Commissioner Beatty would be speaking at that meeting. Comments have been sent to the Environmental Management Commission. The EMC proposes to take action on this request at their November meeting. There will be an additional public hearing later in September somewhere in the Charlotte/Mecklenburg area. Vice-Chair Hunsucker noted there would be an informational session before the public hearing scheduled on the 7<sup>th</sup>. Commissioner Lail commented that this action had serious ramifications, not only for Catawba County but all counties along the Catawba River Basin and she said she hoped that Catawba County would join in partnership with these other counties to do everything they could to prevent this transfer. Commissioner Beatty urged contact with any committees that had anything to do with the transfer and good representation was a must.

Commissioner Lail made a motion to adopt the resolution in opposition the Concord-Kannapolis Interbasin Transfer. The motion carried unanimously.

9. Consent Agenda:

County Manager J. Thomas Lundy then presented the following four items on the consent agenda:

a. A request by NCDOT for the Board adopt a resolution recommending the abandonment of maintenance on .06 of a mile of Long Island Road where it dead ends into Lake Norman. This was at the request of an adjacent property owner and the road does not provide any access to residents or property and the adjacent property owner plans to put in a cul-de-sac in so that people can turn around. If the Board adopts the resolution, the NCDOT will make the final decision whether to abandon the road.

Commissioner Beatty asked that this item be pulled from the consent agenda so that she could have several questions addressed.

b. A proposed change in one of the Social Services outcomes. Social Services is one of the reinventing departments and since the State has recalculated how they determine the poverty level – they are going from 125% of poverty level to 130% to poverty level for food purchasing power – the outcome needed to be changed. The new goal will be to reach 83% of the County's potentially eligible citizens. The new outcome will read: *To increase the food purchasing power of Catawba County's families by identifying and reaching 83% of the county's potentially eligible citizens (15,462 of the 18,630 potentially eligible persons) as compared to the county's current participation rate of 76.19% (with the state at 63.34%).*

c. Request to declare a 1997 Ford Expedition surplus and transfer it to the Hickory Rescue Squad. The resolution read as follows:

**RESOLUTION NO. 2006 - \_\_\_\_**  
**DECLARATION OF SURPLUS PROPERTY AND DONATION TO THE HICKORY RESCUE SQUAD INC.**

WHEREAS, Catawba County owns a 1997 Ford Expedition that is no longer needed for any governmental use;

WHEREAS, North Carolina General Statute 160A-279 authorizes a county to convey personal property by private sale to a nonprofit organization;

WHEREAS, North Carolina General Statute 160A-279 authorizes the conveyance without monetary consideration if the recipient ensures the property will be used for a public purpose;

WHEREAS, the Hickory Rescue Squad is a nonprofit organization that provides a public service;

THEREFORE, the Catawba County Board of Commissioners resolves that:

1. A 1997 Ford Expedition is declared surplus property.
2. The property will be donated to the Hickory Rescue Squad without monetary consideration.
3. The Purchasing Agent shall be authorized to conduct the transfer of property and shall publish a notice summarizing the contents of this resolution and the property shall be conveyed anytime after ten days after the notice publication.

This the 5<sup>th</sup> day of September, 2006.

b. The designation of Map Review Officers as outlined in the following resolution:

**RESOLUTION #2006 -**  
**APPOINTMENT OF MAP REVIEW OFFICERS**

**WHEREAS**, S.L. 1997-309 (SB875) made a number of significant changes in the procedures for recording maps and plats; and

**WHEREAS**, the main purpose of the law was to transfer the responsibility for reviewing plats to determine whether they meet recording requirements from the Register of Deeds to a Review Officer; and

**WHEREAS**, G.S. 47-30.2 requires the Board of County Commissioners in each County, by resolution, to appoint a person or persons to serve as Review Officer to review each plat or map before it is recorded and certify that it meets the statutory requirements for recording; and

**WHEREAS**, it is the desire of the Catawba County Board of Commissioners to insure an expeditious review of all maps and plats as required by G.S. 47-30.2 before they are presented to the Register of Deeds for recording; and

**WHEREAS**, the Catawba County Board of Commissioners on September 30, 1997 adopted Resolution #1997-160 which included names of individuals who were appointed as Review Officers for representative jurisdictions in Catawba County; and

**WHEREAS**, said Resolution was recorded in the Office of the Register of Deeds in Book 2050 Pages 604 and 605 and amended resolutions were subsequently recorded; and

**WHEREAS**, Andrea Lytle and Jonathan Kanipe have the responsibility of reviewing plats for the Town of Catawba; and

**WHEREAS**, Cal Overby and Chris Timberlake have the responsibility of reviewing plats for Catawba County; and

**WHEREAS**, Anthony Starr no longer performs Review Officer responsibilities for the Town of Catawba; and

**WHEREAS**, Rich Hoffman no longer performs Review Officer responsibilities for Catawba County;

**NOW THEREFORE, BE IT RESOLVED**, that the following individuals are hereby appointed to perform the responsibilities of Review Officer for the planning jurisdiction as indicated in accordance with the appropriate General Statutes:

<b>Town of Catawba:</b>	<b>Andrea Lytle and Jonathan Kanipe</b>
Catawba County:	Cal Overby and Chris Timberlake

And that the following individuals are hereby removed from the list of appointed Review Officers:

Town of Catawba: Anthony Starr  
Catawba County: Rich Hoffman

and

**BE IT RESOLVED**, that the Map Review Officers for Catawba County have the authority to sign for maps in the municipal planning jurisdictions when there is a staff transition; and

**BE IT FURTHER RESOLVED**, that a copy of this Resolution designating Review Officers be recorded in the Catawba County Register of Deed's Office and indexed in the names of the Review Officers.

Adopted this the 5th day of September 2006.

Chair Barnes noted that the first item on the consent agenda had been pulled out of the agenda for further discussion. She asked if there was a request to pull any other item off the consent agenda. No request was made. Vice-Chair Hunsucker made a motion to approve the other three items on the consent agenda. The motion carried unanimously.

Commissioner Beatty said she had concerns what was going to be done with the cul-de-sac and that the Long Island Marina property was a bone of contention with some of the neighboring property owners. She asked the reasons for this request for abandonment. Planning Director Jacky Eubanks said at one time this road was a public access road for Duke Power and boat launching but Duke Power has abandoned use of the road and had relocated the public access to a much more convenient site for the public. Long Island Marina purchased the land on both sides of this road and therefore by closing and abandoning this .06 mile of road, they would become the owner of the entire area and they would put in a new road with a cul-de-sac so the public could turn around before reaching the water. Commissioner Barger made a motion to adopt the following resolution. The motion carried unanimously.

**RESOLUTION #2006 -**  
**REQUESTING THE CLOSING OF A PORTION OF LONG ISLAND ROAD (SR 1904)**

**WHEREAS**, Mr. Eben Pyle, owner of Long Island Marina & Resort Inc., petitioned the North Carolina Department of Transportation (NCDOT) to abandon a portion of secondary road "Long Island Road" (SR 1904) from the State maintenance system. The portion to be abandoned is specifically the last .06 miles of Long Island Road where it dead-ends into Lake Norman; and

**WHEREAS**, NCDOT has submitted to the Catawba County Board of Commissioners a request for a review and recommendation for the road abandonment; and

**WHEREAS**, staff has reviewed the request and has determined that no property owners would be deprived of ingress or regress;

**THEREFORE BE IT RESOLVED THAT** the Catawba County Board of Commissioners has reviewed this request and recommends to the North Carolina Board of Transportation for the abandonment of the last .06 miles of SR 1904 (Long Island Road) where it dead-ends into Lake Norman.

Upon motion made by Commissioner \_\_\_\_\_, the above order was unanimously adopted by the Board of Commissioners of Catawba County on the \_\_\_\_ day of \_\_\_\_\_, 2006.

This the \_\_\_\_ day of September 2006.

10. Departmental Reports:

a. Tax Department.

Randy Moose, Tax Administrator, presented the proposed Schedule of Values, Standards and Rules for the Catawba County 2007 Revaluation as prescribed by North Carolina General Statute 105-317.

Pursuant to a resolution adopted by the Board of Commissioners on August 18, 2003, Catawba County's next countywide revaluation will become effective January 1, 2007. Catawba County has approximately 84,000 separate parcels of land which are required by state law to be appraised at 100% market value as of that date. To that end, County staff has worked for many months analyzing data derived from real estate sales in the County, building cost data, and income and expense statements from income producing properties, culminating in the formulation of a uniform Schedule of Values, Standards, and Rules to be utilized to generate market value appraisals for all real property in Catawba County.

Also included in the Schedule of Values is a special schedule for appraising eligible agricultural, horticultural, and forest land at its "present use" value. This schedule is a statewide schedule formulated by the NC Department of Revenue. Properties whose owners qualify for "present use" assessment will receive two values, a market value mandated by law, as well as the "present use" value.

On Monday, August 28, a Value Review Committee met to scrutinize the proposed Schedule of Values, Standards, and Rules to be utilized in the County's 2007 Revaluation. After an in-depth discussion with staff regarding formulation of the Schedule, as well as random examples of actual values generated by utilization of the Schedule, the Committee unanimously offered their opinion that the Schedule is legal, accurate, and when utilized properly, generates a fair estimate of market value for real property in Catawba County. Value Review Committee members attending the session were Mr. Charles Preston, Mr. Clement Geitner, and Ms. Lynda DeHart.

Adoption of the Schedule of Values is an important step in the revaluation process. Because of its importance, the Machinery Act of North Carolina requires the Board of Commissioners only adopt it after holding a public hearing and then publicizing that it has done so. After the public hearing, property owners will have 30 days to challenge the Schedule of Values by appeal to the State Property Tax Commission.

In accordance with NCGS 105-317(c), the Schedule of Values must be formally presented to the Board not less than 21 days before the meeting at which it will be considered. After the formal presentation the Board must notify the public through newspapers of general circulation that it has received the schedule and that it is open for inspection at the Assessor's office. The notice must also inform the public that a public hearing will be held, giving the specific date, time, and place. This public hearing must be at least seven days before the Board's adoption of the schedule. The staff has recommended the public hearing be scheduled for September 18, 2006, at 7:00 p.m., in the Robert E. Hibbitts Meeting Room of the 1924 Courthouse.

It was also recommended the vote for formal adoption occur at the October 2, 2006 meeting in the Robert E. Hibbitts Meeting Room of the 1924 Courthouse. Afterwards, a newspaper notice must be published stating that the schedule has been adopted and that property owners have 30 days from the date of the first publication to challenge the schedule by appeal to the State Property Tax Commission on grounds that the schedule does not adhere to the appropriate statutory valuation standard (that is, that it will produce values that are too high, too low, or inconsistent). The Commission has the power to order the Board of Commissioners to revise the schedule if they do not adhere to the statutory valuation standard. The Commission's decision may be appealed to the N.C. Court of Appeals. Assuming an October 2<sup>nd</sup> adoption, property owners will have until Thursday, November 2, 2006 to challenge the Schedule.

A proposed timeline follows:

Tuesday, September 5, 2006 -- 9:30 am, 1924 Courthouse

Formal presentation of the 2007 Schedule of Values, Standards, and Rules to the Board of Commissioners by the Assessor.



Wednesday, September 6, 2006

Board must publish in newspaper that (1) Proposed Schedule of Values have been submitted, (2) Schedule of Values are available for public inspection in Assessor's Office, and (3) State time and location of public hearing on the proposed Schedule.

Monday, September 18, 2006 -- 7:00 pm, 1924 Courthouse

Public hearing on the Schedule of Values.

Monday, October 2, 2006 -- 9:30 am, 1924 Courthouse

Formal adoption of the Schedule of Values by the Board.

Wednesday, October 4, 2006

Board publishes 1<sup>st</sup> notice of adoption in newspaper. (Taxpayer must appeal adoption within 30 days of this date).

Wednesday, October 11, 2006

Publish 2<sup>nd</sup> notice of adoption.

Wednesday, October 18, 2006

Publish 3<sup>rd</sup> notice of adoption.

Wednesday, October 25, 2006

Publish 4<sup>th</sup> notice of adoption. (Four notices are required by Statute).

Thursday, November 2, 2006

Last day for taxpayer to appeal adoption of the Schedule of Values.

Mr. Moose formally presented the Board with the Schedule of Values, Standards and Rules. Chair Barnes accepted the document on behalf of the Board. She noted that there would be two public hearings at the September 18, 2006 meeting – one on the UDO and one on the Schedule of Values. She said the Schedule of Values were available for inspection in the Assessor's office until after adoption and for 30 days thereafter.

b. Planning Department.

Jacky Eubanks, Planning Director, presented the 2006 CDBG Concentrated Needs Award of \$400,000 for Scattered Site Housing Project and requested the Board adopt: 1) Resolution Adopting Project Policies, Procedures and Plans; 2) Project Budget Ordinance; and 3) Proposed WPCOG Agreement for Administration.

Catawba County is allocated \$400,000 every three years on a rotating basis for a Scattered Site Housing Grant from the Department of Commerce. Catawba County received their first allocation in 2003 and now it is time for the second allocation of funds. In order to receive this next round of funding for \$400,000, a grant was written by WPCOG in March 2006 which consisted of the following: rehabilitation of seven (7) homes; clearance/relocation of one home; and eight (8) homes to receive emergency repair funds scattered throughout the County. The County received approval of this funding on July 31, 2006 from the Department of Commerce, Division of Community Assistance. Also, included in this grant application is a request for \$40,000 for emergency repairs to a minimum of eight (8) homes of low and moderate income. This L-1 grant fund for \$40,000 is scheduled to last 30 months from the time funding is awarded to completion. To receive this money the County has to adopt the three documents requested above.

The resolution read as follows:

RESOLUTION #

CATAWBA COUNTY  
POLICIES AND GUIDELINES FOR THE  
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

WHEREAS, Catawba County has been awarded a Community Development Block Grant Award for \$400,000; and

WHEREAS, Catawba County desires to adopt Community Development Program Policies and Guidelines; and

WHEREAS, the Community Development Office has created Community Development Program Policies and Guidelines;

NOW, THEREFORE, BE IT RESOLVED, Catawba County hereby adopts Community Development Program Policies and Guidelines as herein contained.

Adopted this the 5th day of September, 2006.

The budget ordinance read as follows:

**ORDINANCE# \_\_\_\_\_**

**CATAWBA COUNTY'S PROJECT BUDGET ORDINANCE  
FOR THE 2006 CDBG SCATTERED SITE HOUSING PROGRAM  
(CATAWBA COUNTY SCATTERED SITE HOUSING GRANT)**

Be it ordained by the County Commissioners of Catawba County that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project ordinance is hereby adopted.

Section 1. The project authorized is the Community Development Project described in the work statement contained in the Grant Agreement (#06-C-1521) between this unit and the Department of Commerce. This project is more familiarly known as the 2006 Catawba County Scattered Site Housing Grant.

Section 2. The officers of this unit are hereby directed to proceed with the grant project within the terms of the grant document(s), the rules and regulations of the Department of Commerce, and the budget contained herein.

Section 3. The following revenues are anticipated to be available to complete this C-1 project.

Revenues

Community Development Block Grant	\$ 360,000
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Section 4. The following amounts are appropriated for the C-1 project:

Expenditures

Rehabilitation (CDBG)	\$ 230,500
Relocation (CDBG)	\$ 80,000
Clearance	\$ 6,000
Planning	\$ 3,500
Administration	<u>\$ 40,000</u>
	\$ 360,000

Section 5. The following revenues are anticipated to be available to complete the L-1 project:

Revenues

Community Development Block Grant	\$ 40,000
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Section 6. The following amounts are appropriated for the expenditure L-1 project:

<u>Expenditures</u>	
Rehabilitation (CDBG)	\$ 40,000

Section 7. The Finance Officer is hereby directed to maintain within the Grant Project Fund sufficient specific detailed accounting records to provide the accounting to the grantor agency required by the grant agreement(s) and federal and state regulations.

Section 8. Funds may be advanced from the General Fund for the purpose of making payments as due. Reimbursement requests should be made to the grantor agency in an orderly and timely manner.

Section 9. The Finance Officer is directed to report quarterly on the financial status of each project element in Section 4 and on the total grant revenues received or claimed.

Section 10. The Budget Officer is directed to include a detailed analysis of past and future costs and revenues on this grant project in every budget submission made to this Board.

Section 11. Copies of this grant project ordinance shall be made available to the Budget Officer and the Finance Officer for direction in carrying out this project.

Adopted this the 5<sup>th</sup> day of September, 2006.

Budget allocations are as follows:

**Revenue:**

280-4200101-627200	Scattered Site Housing Program	\$400,00.00
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**Expenditures:**

280-420101-849117	Administration	40,000.00
280-420101-849120	Rehabilitation (CDBG)	230,500.00
280-420101-849118	Relocation (CDBG)	80,000.00
280-420101-849119	Clearance	6,000.00
280-642010-849122	Planning	3,500.00
280-420101-849120	Rehabilitation (L-1 Project)	40,000.00

Jacky Eubanks said the County was active in these programs to try to help people find and maintain affordable housing. Commissioner Lail asked if the recipients had already been selected and Jacky said there was a criteria system and the COG maintains a list of eligible clients and people are taken from that list on a first come, first served basis. Commissioner Lail made a motion to adopt the listed documents for this grant. The motion carried unanimously.

11. Other Items of Business:

a. Assistant County Manager Joellen Daley reported on the 2006 State Legislative Agenda.

The legislative session adjourned on July 28, 2006. She thanked the Board for all of the work it did with regard to promoting the agenda and responding to items that surfaced during the Short Session. The Boards efforts went a long way in establishing relationships with members of the local legislative delegation.

The General Assembly will reconvene on January 24, 2007. The NCACC has requested that communities submit legislative goals by September 15, 2006. The following information was on the items contained in the agenda for this session. Also included are other items that surfaced during the legislative session. In either case, the item has been referenced and an update or resolution has been included.

## **FUNDING ITEMS**

### **County Share of Medicaid**

During the Short Session, the General Assembly recommended a relief package that temporarily caps County Medicaid costs at the 2005-2006 level. The budget appropriated \$27.4 million to a fund that would provide for this one-time cap, which should result in approximately 935,000 for Catawba County. The funds will be used for one time expenditure. The North Carolina Department of Health and Human Services provided their methodology for implementing the County Medicaid relief. DHHS has indicated that they will continue to bill counties for their actual 2006-2007 share at the 15% non-federal rate, but will closely monitor these expenses in comparison with last year's actuals. As individual counties reach their 2005-2006 amounts in late 2006-2007, DHHS will begin issuing credits against payments due. DHHS will continue with this crediting of payments until the \$27.4 million is exhausted. Should that occur, counties would resume paying the 15% non-federal share. It was recommended that Medicaid relief be pursued in the 2007 General Assembly Long Session and include this item as part of the Board's legislative goals.

### **Local Revenue Options**

For several years, work has been done to secure additional local revenue options for counties. Efforts were unsuccessful in gaining any new local revenue options as a result of the General Assembly Short Session. For example, H947, which include Catawba County and would have grant the County authority to levy additional one-cent sales tax, was referred to the Senate Committee on Finance and not acted on. It was recommended that efforts should continue to pursue this item in the 2007 General Assembly Long Session and include it as part of the legislative goals.

### **Hickory Metro Higher Education Center**

Funding for the Hickory Metro Higher Education Center was included in the budget in the amount of \$474,520. This is a continuing appropriation. It was recommended that this funding source be watched for the HMHEC in subsequent years.

### **Child Care Subsidies Funding**

Contained within the budget this year was a nominal amount of additional funds for child care. The amount is between \$60,000 and \$70,000. The County has a waiting list for daycare and funds are running low. These additional funds will assist in this regard. It was recommended that efforts continue to pursue additional funding in subsequent years.

### **Child Welfare Services and Federal Reconciliation Budget**

Additional funds were sought in both of these areas in the 2006 Short Session of the General Assembly to alleviate local funding requirements to make up for revenue short falls and they relate to the federal budget. No additional funds are known that have been dedicated for either of these items. It was recommended that additional funding in 2007 be pursued, especially in the light of the fact that the program related to Child Welfare Services and TANF or temporary aid to needy families are required by the State.

### **Sales Tax Refund for Schools**

The 2.5¢ sales tax refund for schools was restored. This was a goal of the Board of Commissioners. The 4.5¢ sales tax was not restored and therefore, it was recommended that the Board of Commissioners support restoring that amount in the 2007 General Assembly Long Session and include it as part of the legislative goals. If the school system is required to pay the State sales tax, it is may seek additional funding from the County in the long run to offset this requirement.

### **Additional State Aid to Libraries**

There has been a non-reoccurring increase of \$830,248 in the State aid appropriation for FY 2006-2007. This will have a nominal but positive impact on Catawba County; however, at this point, it has not been determined how much additional funding will be made available. The Board will be advised when the final numbers are determined.

## **POLICY**

### **H 1338 – Funding of E911 Emergency Telephone Services and Use of Fees Collected**

The Board of Commissioners supported an expansion of the uses of E911 funds from call-in to call-out. The bill was expanded previously to remove the requirement of paying E911 fees by telephone companies

which was not supported by the Board. The bill has been in the General Assembly for the 2005 and 2006 sessions. During the 2006 Long Session, the bill was referred to the Finance Committee in July. This bill will continue to be watched because although it is agreed that the definition should be expanded, it is not agreed fees should be eliminated. It was recommended that pursuit of expansion be continued in the 2007 General Assembly Long Session and this item be included as part of the Board's legislative goals.

**H648/S508 – Builders Inventory Bill**

The bill would exempt from taxation the increase in value attributable to improvements in property prior to sale. It is estimated that this would be costly to Catawba County in the amount of \$490,000 annually. The bill was referred to committee in March. It was recommended that this bill be watched in the event that it resurfaces in the 2007 General Assembly Long Session, and if it does, it was recommended that the Board of Commissioners oppose the bill.

**S951 – Trash Haulers Bill**

The bill would require local governments to provide extended notice to companies providing solid waste collection services (haulers) before awarding franchises to other haulers or canceling franchises. The bill passed in the General Assembly and was signed by the Governor. The County opposed the bill. However, the bill only applies in situations relating to annexation. Therefore, Catawba County is not affected by the bill.

**H900 – Onsite Subsurface Wastewater Bill**

Legislation to permit issuance of permits for onsite subsurface wastewater systems (septic tanks) after evaluation by private soil scientists was the focus of this bill. Mike Cash, Environmental Health Specialist, was available to serve on a committee to work through the nuances of the bill. In the end, the bill was passed; however, it was modified significantly. The bill which passed only relates to Cherokee County where a pilot program is to be developed for permitting onsite wastewater systems in small counties. Therefore, the County will not be affected by the passage of this bill.

**H1769 – Statewide Solid Waste Disposal Tax**

The bill would institute a \$2 per ton tax on solid waste with the intent of using proceeds to remediate old closed landfills statewide. Catawba County has remediated its landfills and therefore, the Board of Commissioners was opposed to this additional tax. Related to this item was an additional bill that surfaced during the session concerning a moratorium on opening new landfills. The Board worked diligently, along with Utilities and Engineering Director Barry Edwards, to make some changes to this bill. Efforts were successful in that a change allowing existing landfills being able to be expanded was included in the final version of the bill. However, the bill also created a study related to solid waste, to be conducted by the Environmental Review Commission with the assistance of the Division of Waste Management of the Department of Environment and Natural Resources. Based on the fact that the study will commence, the County needs to watch to make sure that the solid waste disposal tax is not included. It was recommended that this study be watched as it unfolds to make sure the County's interests are protected in this regard.

**H1765/S1030 – Electronic Waste Recycling and Taxation**

The bill would require that consumers pay a nominal tax when purchasing electronics items, similar to the White Goods Tax that exists today. Staff recommended that the Board support this fee. The bill was referred to committee in May. It was recommended that passage of the bill be pursued in the 2007 General Assembly Long Session and include this item as part of the legislative goals.

**H1288 – Clean-up of Abandoned Mobile Homes**

The bill would establish an advanced disposal fee on the sale of new and used manufactured homes, with the money going toward the removal and destruction of existing abandoned structures. The Board of Commissioners supported the bill. The bill was referred to committee. It was recommended that passage of this bill be pursued in the 2007 General Assembly Long Session and this item be included as part of the legislative goals.

**Champions of Education Proposal**

The Champions of Education Cabinet proposed and endorsed a legislative item requiring an increase in the age for compulsory education attendance until 18 or graduation. The Board of Commissioners supported the measure; however, it was not considered by the General Assembly.

### **Summary of Additional Items**

In addition to the items listed above, several additional items surfaced during the 2006 Short Session. The following list is a summary of those items. In addition, a brief explanation has been provided with regard to how the items were addressed.

### **Engineering Center**

The Future Forward Economic Alliance has spearheaded an effort to establish the North Carolina Center for Engineering Technologies. The center would provide workforce development and specialized technical training and will be a joint public/private venture and will be part of the University of North Carolina educational system. A former facility of Corning Cable has been retained to house the center. Funding commitments already obtained total \$1.3 million which does not include in-kind gifts and the \$1 million grant for equipment and programming announced at last month's press conference. \$100,000 in funding has been received to help with the building this year and it was recommended that additional funding be pursued next year.

### **LME Funding and Board Composition, Structure and Functions**

A summary of the funding provided for LMEs in addition to the board composition, structure and functions follows. The merger of our LME with either the Foothills or Crossroads LME or some other entity is being looked at. Significantly, LMEs must have at least six counties or 200,000 population. If this does not occur before July 1, 2007, LMEs would lose 10% of their funding from the State each year. In the case of Catawba County, this would amount to over \$300,000 per year.

### **Property Taxes on Motor Vehicles**

In the 2005 Legislative Session, a bill was passed to improve collection of property taxes on motor vehicles. At the conclusion at the 2006 session, there was an effort to rescind that legislation. However, the result was a one-year postponement of the 2009 implementation date. The new 2010 implementation date is designed to give the Division of Motor Vehicles additional time to prepare for a system that more closely links property tax collection and motor vehicle registration.

### **Video Services Competition Act**

The Video Services Competition Act was a complex piece of legislation that was modified throughout the 2006 General Assembly Session. There are many facets to this legislation, but the main impacts are listed as follows:

1. Establishes a statewide video service franchising process
2. Makes changes to the regulatory treatment of existing local cable franchises
3. Eliminates local governments' authority to assess and collect cable franchise fees
4. Replaces local revenues from franchise fees with a new distribution of shared sales tax collections from telecommunications, cable service, and satellite television service
5. Removes the state tax credit for franchise fees paid to local governments
6. Provides for a proportional tax distribution to local governments based on previous revenues from cable, including franchise fees and per subscriber charges
7. Provides for public, educational and governmental (PEG) channel funding
8. Designates the North Carolina Secretary of State as the exclusive statewide video service franchising authority
9. Designates the Consumer Protection Division of the North Carolina Office of the Attorney General as the agency responsible for handling consumer complaints and creates reporting requirements for the Consumer Protection Division regarding the type and volume of complaints handled
10. Requires the Revenue Laws Study Committee to study the impact of this legislation and report finding to the 2008 session of the North Carolina General Assembly

The four significant impacts on local governments are:

1. Local governments will no longer be able to assess and collect cable franchise fees. Under this proposal, local governments will receive a portion of sales tax collections from cable service equal to 22 percent, an increase portion of the existing telecommunications sales tax, and a share of sales tax collections on satellite television service.

2. The tax credit equal to the amount of franchise fees paid to local governments created in 2005 is eliminated.
3. Local governments will effectively receive a larger portion of state sales tax collections on telecommunications.
4. Local governments will be granted a share of sales tax collections from home satellite television service equal to 2.5 percent of the 7 percent general sales tax, or approximately 37 percent of sales tax collections.

The bill contains three mechanisms to provide financial support for Public, Educational and Government Support (PEG) Channels:

1. Allows local governments that operate PEG channels providing local programming to collect \$25,000 per channel, up to three channels, per year in the form of four quarterly installments of \$6,250.
2. Caps the amount of annual PEG support to local governments at \$2 million.
3. Creates the PEG Grant Fund. Any funds not disbursed to local governments for PEG support (\$25,000 per qualifying PEG channel) up to \$2 million, are to be deposited in the PEG Grant Fund for the purpose of making grants to local governments to fund capital expenditures for PEG channels.

As a result of the passage of this legislation, Catawba County will not longer be franchising with the cable providers. It was recommended that the County work with Charter Communications in the beginning of next year to insure that the provisions of the County's current license, which expires in February 2007, be continued until the new franchise is negotiated and secured with the State.

#### **Changes to the Bill Lee Act**

There were changes that came forward to the Bill Lee Act which reduces from five to three the number of tiers that are used as indicated of economic distress. Tier I indicates the highest level of distress and Tier III indicates the lowest level of distress. With the new tier levels, Tiers I and II each have forty counties and Tier III has 20 counties. Counties would be ranked by taking the average of where the county ranks in each of the following factors: unemployment, median household income, population growth, and DPI adjusted assessed property value. Catawba County's 2006 designation was IV; its proposed tier designation is II.

#### **S1357 – Non-Emergency Transport by Private Providers**

The bill would authorize the transport of patients in non-emergency situations by private parties, such as pre-approved trips between doctors' offices or hospitals. The bill as written creates three issues for Catawba County. First, it is inconsistent with the existing Office of Emergency Medical Service (OEMS) rules regarding an EMS system. Each provider operating with a county is part of that system. If a private provider comes into Catawba County and operates, the County loses control and has no ability to regulate standards, thus reducing the quality of service. Second, it violates the County's Franchise Ordinance, which was developed to assure we had the ability to regulate the quality of care provided to our citizens. If we allow private providers to come into the County the ability to regulate what and how the County charges is lost. Third, loss of revenue would result if this bill were passed. The County currently makes money from its specialty services. The non-emergency calls are guaranteed payment. The revenue gained, approximately \$700,000, by this service helps offset the losses the County takes on the emergency services provided. Private providers are supportive of the bill so they can increase their area and profits without the regulation of the local system. If they are allowed to take revenue out of the County, the cost of providing emergency services will go up, increasing the demand on the general fund. It was recommended that this bill be watched in the event that it resurfaces in the 2007 General Assembly and if it does, it was recommended the Board oppose the bill.

Commissioner Barger asked about the cable legislation and clarified that the County would no longer award the franchise. Ms. Daley said that private companies will now franchise with the State and the State has four months to make that determination and these franchises will not be exclusive – thus allowing competition. Commissioner Beatty likened it to the deregulation of the telephone companies and voiced her concern over the quality of the service that could result. Services could be provided by numerous companies. Chair Barnes said the companies involved have strong lobbying dollars and are having a lot of impact on the discussions regarding the issue. Commissioner Lail asked if a customer has issues, who did

they contact – Joellen said currently it was the County but after the State takes over it would be the Consumer Protection Agency.

Vice-Chair Hunsucker asked about the amount of the proposed disposal fee on mobile homes and Chair Barnes said the amounts discussed thus far were anywhere from \$500 to \$2000.

c. Assistant County Manager Joellen Daley then moved on to proposed 2007 State Legislative Goals. The recommended legislative priorities were:

#### Funding

1) County Share of Medicaid – As with the 2006 Agenda, one of the County's top funding priorities will be permanent relief from the County's portion of Medicaid. As a result of the one time relief measure passed this year, Catawba County estimates a savings of approximately \$935,000 that will be spent on one time expenditures.

2) Local Revenue Options – For several years, the County has worked to secure additional local revenue options for counties. It was unsuccessful in gaining any new local revenue options as a result of the General Assembly Short Session. An example is H947, which included Catawba County and would have granted us authority to levy an additional one-cent sales tax. Pursuit of additional local revenue options for all counties was recommended to provide flexibility in funding options to address county needs, such as school infrastructure and/or jail expansions.

3) Child Care Subsidies Funding - Contained within the budget this year was a nominal amount of additional funds for child care. This resulted in \$60,000 and \$70,000 for Catawba County. The County has a waiting list for daycare and funds are running low. These additional funds will assist in this regard; however, it was recommended counties continue to pursue additional funding next year.

4) Child Welfare Services and Federal Reconciliation Budget – Catawba County sought additional funds in both of these areas in the 2006 Short Session of the General Assembly, to alleviate local funding requirements to make up for revenue shortfalls as they relate to the federal budget. No additional funds are known of that have been dedicated for either of these items. Therefore, it is recommended additional funding be pursued in 2007, especially in the light of the fact that the programs related to Child Welfare Services and Temporary Aid to Needy Families (TANF) are required by the State.

5) Additional State Aid to Libraries – It was recommended that new funds be appropriated to fund libraries. A nominal amount was appropriated for all libraries in 2006, \$830,248. Additional funds are requested to better fund libraries next year.

#### Policy

#### Emergency Services

1) E911 Databases – Presently, 911 service providers are required to purchase services from Bell South and Intrado to link telephone numbers to addresses and make 911 systems effective. For communities that utilize citizens alert notification systems, the telephone companies have required the purchase of essentially the same data service at the cost of several thousand dollars per month. Catawba County recommends the introduction of legislation that would prohibit the telephone companies from charging for this same data service as communities are already paying once for the information to make 911 systems effective.

2) Non-Emergency Transport by Private Providers – (S1357 – 2006) – In the 2006 session a bill was introduced that would authorize the transport of patients in non-emergency situations by private parties, such as pre-approved trips between doctors' offices or hospitals. The bill as written created three issues for Catawba County. First, it was inconsistent with the existing Office of Emergency Medical Service (OEMS) rules regarding an EMS system. Each provider operating within a county is part of that system. If a private provider comes into Catawba County and operates the County loses control and has no ability to regulate standards thus reducing the quality of service. Second, it violated the County's Franchise



Ordinance, which was developed to assure the County had the ability to regulate the quality of care provided to its citizens. If private providers are allowed to come into the County, it loses the ability to regulate what and how it charges. Third, loss of revenue would result if this bill were passed. The County currently are making money from its specialty services. The non-emergency calls are guaranteed payment. The revenue gained, approximately \$700,000, by this service helps offset the losses the County takes on the emergency services it provides. Private providers are supportive of the bill so they can increase their area and profits without regulation of the local system. If they are allowed to take revenue out of the County the cost of providing Emergency Services will go up increasing the demand on the general fund. Catawba County recommends that NCACC monitor this bill in the event it resurfaces in the 2007 General Assembly, and if it does, it is recommended the bill be opposed.

3) Funding of E911 Emergency Telephone Services and Use of Fees Collected (H 1338 – 2006) - The Board of Commissioners supported an expansion of the uses of E911 funds from call-in to call-out. The bill was expanded previously to remove the requirement that the telephone companies pay E911 fees, which was not supported by Catawba County. The County recommends this bill be watched because, although it is agreed that the definition should be expanded, it is not agreed fees should be eliminated. It is recommended that the County continue to pursue expansion in the 2007 General Assembly; however, the bill should be defeated if there is movement to eliminate funds by the telephone companies.

#### Finance

4) Exempt Sales Tax on Local Government Purchases – The 2.5¢ sales tax refund for schools was restored. The 4.5¢ sales tax was not restored and, therefore, it is recommended that the County support restoring that amount. If school systems are required to pay the State sales tax, they may seek additional funding from counties in the long run to offset this loss of funding.

5) Builders Inventory Bill (H648/S508 – 2006) - The bill would exempt from taxation the increase in value attributable to improvements in property prior to sale. It is estimated this would be costly to Catawba County in the amount of \$490,000 annually. The bill was referred to committee in March. It was recommended that this bill be watched in the event it resurfaces in the 2007 General Assembly, and if it does, it is recommended that the bill be opposed.

#### Solid Waste

6) Electronic Waste Recycling and Taxation (H1765/S1030 – 2006) - The bill would require that consumers pay a nominal tax when purchasing electronics items, similar to the White Goods Tax that exists today. Catawba County supported the bill last year. The bill was referred to committee in May. It was recommended that passage of the bill be pursued in the 2007 General Assembly.

7) Clean-up of Abandoned Mobile Homes (H1288 – 2006) - The bill would establish an advanced disposal fee on the sale of new and used manufactured homes, with the money going toward the removal and destruction of existing, abandoned structures. Catawba County supported the bill last year. The bill was referred to committee. It is recommended that passage of this bill continue to be pursued in the 2007 General Assembly.

8) Statewide Solid Waste Disposal Tax (H1769) - The bill would institute a \$2 per ton tax on solid waste with the intent of using proceeds to remediate old, closed landfills statewide. Catawba County has remediated its landfills and, therefore, the Board of Commissioners was opposed to this additional tax. Related to this item was an additional bill that surfaced during the session concerning a moratorium on opening new landfills. Catawba County worked diligently to make some changes to this bill. The County was successful in that a change allowing existing landfills to be expanded was included in the final version of the bill. However, the bill also authorized that a study commence relative to solid waste, to be conducted by the Environmental Review Commission with the assistance of the Division of Waste Management of the North Carolina Department of Environment and Natural Resources. Based on the fact that the study will commence, the bill needs to be watched to make sure that the solid waste disposal tax is not included.

#### Education

9) Champions of Education Proposal - The Champions of Education Cabinet, a group of government, non-profit and business leaders organized through the Catawba County Chamber of Commerce, proposed and endorsed a legislative item requiring an increase in the age for compulsory education attendance until 18 or graduation. The Board of Commissioners supported the measure; however, it was not considered by the General Assembly. It was recommended this measure be considered as a legislative goal in the upcoming year.

County Manager Lundy asked about the library funding – why would this not be an Association goal? Joellen said this could be added. Commissioner Barger asked about the Dental Clinic project – and this should be included in these goals. Commissioner Beatty said she wanted to make sure that these goals was communicated to the delegation and there be follow up. Commissioner Barger suggested an early meeting with the delegation and determine how to move forward.

Chair Barnes said the Board had the above proposals and the additions of library funding as a statewide funding issue and some statement regarding solid waste tax before them. Vice-Chair Hunsucker made a motion to adopt the proposed agenda. The motion carried unanimously.

11. Attorneys' Report. None.

12. Manager's Report. None.

14. Adjournment. Commissioner Beatty made a motion to adjourn at 11:30 a.m. The motion carried unanimously.

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Katherine W. Barnes, Chair  
Catawba County Board of Commissioners

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Barbara E. Morris, County Clerk